

EXHIBIT 24

Message

From: John Kelly [jkelly@shorelineaviation.com]
Sent: 12/5/2018 7:24:19 PM
To: Dan Wolf [Dan.Wolf@capeair.com]; Linda A. Markham [LINDA.MARKHAM@capeair.com]; Mike Migliore [Mike.Migliore@capeair.com]
CC: Andrea Collingwood [collingwood_a@yahoo.com]
Subject: Revised Deal Structure
Attachments: Response to Cape Air offer 12.05.xlsx

Good afternoon,

I think you are all travelling today, but I wanted to get this to you for your review. We have updated aircraft loan balances and AR/AP etc. Also included some items we had not yet considered (mostly minor). The big change is that Andrea and I need at least 2 to 2.5 years as an employment contract with Cape Air, instead of a consulting agreement. The balance can be taken over 2 to 2.5 years as a non compete directly to us or to an LLC we may establish for that purpose.

I think if we go ahead with this we can get aircraft and other asset documentation ready for a close before the end of the year, get leases established, and carry the rest into 2019. I have suggested some possible date changes for operational reasons. It might also be a good time to try and get an extension at current rates on our lease here at New Haven. They have delayed the rate increase due at 10/1/2018 until 1/1/2019, and we might be able to get it extended for another 2 -3 years at that rate.

Let me know when you have time to review. I am available at your convenience.

Best Regards,

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John D. Kelly
President
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Initial payment	\$4,374,927
pay-off of loan	\$1,421,704
Net B/S adj.	-\$480,000
Actual paid at Closing	<u>\$5,316,631</u>

Deal Structure:

Purchase Price \$6,374,927

Adjusted for:

Aircraft Loan balance

AR/AP etc.

Reduction in current ticket liability

depending on final adjustments

Based on preliminary 11/30 P&L and Balance sheet

Cash Payment at Closing	\$4,374,447 * \$3,549,447 for Aircraft / \$525K for Inv / \$225K for Condo / \$75K 2 Vehicles and Boat	Interest	\$1.5M
2.5 yr Employment Contract (John) 1/1/2019 - 6/30/2021	\$250,000 John \$100k per year plus Pass privileges, 401k	9/30/2019	\$33,750
2.5 yr Employment contract (Andrea) 1/1/19/2019 - 6/30/2021	\$250,000 Andrea \$100k per year plus 401k and health Insurance	3/31/2020	\$15,000
5Yr Non-compete to JDK/AJC or to LLC	\$1,500,000 3 payments of \$500,000: 9/30/2019; 3/31/2020; 9/30/2020 plus interest @ 3%.	9/30/2020	\$7,500
		Total Interest	<u>\$56,250</u>

Aircraft Loans will be paid off at Closing by Cape Air

\$1,421,704 * Liens need to be released prior to closing

Lien Releases, Bill of Sales, Registrations at IATS / Cape Air funds IATS with

Loan Balances as per closing date (12/20?) IATS takes care of IR

Leases to Shoreline effective upon transfer of title.

Lease rate to Shoreline - \$750 per hobbs hour - minimum of 10 hours per month

Shoreline fee to Cape Air for management - \$5k per airplane per month

Aircraft Insurance Policy and Payments

Condo Fees / Auto Insurance / Marine Insurance

Responsibility of Cape Air on transfer of Title.

Responsibility of Cape Air on transfer of Title.

Net A/P, Cash, SH Loan, A/R at Closing

\$480,000 * will reduce purchase price at closing

* all A/R, A/P, Cash with stay with Shoreline after closing

Current Fuel inventory?

\$12,240 Cape Air purchases or Shoreline retains for operations?

3,000 gallons as of 11/30/2018

Cape Air assumes current ticket liability on B/S for 2019

\$95,795 * need to confirm at 12/31; \$95,795 as of 11/30/2018

Additional pre-sold tickets for 2019 will reduce cash payment at closing

* Dec 1st Sale in progress - no receipts as of yet

Cape Air will fund January & February (March?)

\$200,000 * \$100k per month (maximum)

Employees will transfer on 3/1/19

Maybe 4/1/2019 to close quarter; with some crew remaining with leased aircraft until 4/30 or 5/31 to close out existing contracts

Need consent to transfer Hangar Lease on 3/1

We can do this on 1/1/2019 and possibly negotiate an extension at current rates (Current lease expires 9/30/2020)

Need new agreements with Mgmt. contracts on 3/1

Perhaps 4/1/2019 or even 5/1/2019 for management aircraft in FL.